

Business Plan

Title page

Programme: (**Enterprise & Entrepreneurship**)

Module: (Enterprise and Entrepreneurship)

Assignment Title: Business Plan – Southampton Stay Management Ltd

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1.1 Executive Summary

Southampton Stay Management Ltd is an Airbnb property management company based in Southampton, England. The business will provide property owners with professional short-term rental management services, including guest communication, cleaning, maintenance, pricing optimisation, photography, and marketing.

Southampton is one of the UK's busiest port cities, attracting tourists, cruise passengers, university students' families, and business travellers throughout the year. Many property owners do not have the time or knowledge to manage Airbnb listings effectively. Southampton Stay Management Ltd will solve this problem by offering a complete management service while maximising owners' rental income.

The business also promotes sustainability by using eco-friendly cleaning products, reducing plastic waste, encouraging recycling, and partnering with local businesses to recommend restaurants and attractions to guests. This creates positive economic benefits for the local community.

The company requires an initial investment of £30,000, which will be used for marketing, equipment, software, insurance, office setup, and operating costs.

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1.2 Business Overview

Business Idea

Southampton Stay Management Ltd is a property management company specialising in Airbnb and other short-term rental platforms.

Rather than owning properties, the business manages properties on behalf of landlords and homeowners. Services include:

Airbnb listing creation

Professional photography

Guest communication (24/7)

Booking management

Dynamic pricing

Cleaning coordination

Linen replacement

Property inspections

Maintenance coordination

Check-in and check-out services

The company charges property owners 20% of each booking as its management fee.

Mission Statement

To provide high-quality Airbnb management services that maximise property owners' income while delivering outstanding guest experiences through sustainable and community-focused practices.

Vision

To become Southampton's leading Airbnb management company within five years.

Legal Structure

The business will operate as a Private Limited Company (Ltd) because:

Limited liability protects personal assets.

It appears more professional to investors.

It allows easier access to investment and loans.

Tax advantages compared to sole traders.

Management Structure

Initially, the company will employ:

Roles	Person	Key Responsibilities
Managing Director	My wife and I	Responsible for leading the business, driving growth, and ensuring exceptional guest experiences, managing property owner relationships, and overseeing the day-to day operations of the Airbnb portfolio
Operation Manger	To be requited	The Operations Manager is responsible for the day-to-day running of an Airbnb management business, ensuring properties are maintained to a high standard, guests receive excellent service, and operations run efficiently. The role focuses on maximising occupancy, maintaining quality, and

		supporting business growth.
Cleaning Team	To be required	The Cleaning Team is responsible for ensuring every property is cleaned, sanitised, and fully prepared to a high standard before each guest arrival. They play a vital role in maintaining excellent guest reviews and protecting the company's reputation.
Maintenance Contractors	To be required	The Maintenance Contractor is responsible for carrying out repairs, preventative maintenance, and emergency call-outs across the company's managed Airbnb properties. The role ensures all properties remain safe, functional, and maintained to a high standard, minimising disruption to guests and protecting property owners' investments.
Guest Relations Assistant	To be required	The Guest Relations Assistant is responsible for delivering outstanding customer service to guests before, during, and after their stay. The role involves managing guest communications, coordinating check-ins and check-outs, resolving issues promptly, and ensuring a seamless guest experience that results in positive reviews and repeat bookings

As the business grows, more cleaners and customer service staff will be recruited.

Sustainability and Community Support

The investors require at least one sustainability element.

Southampton Stay Management Ltd will:

Use environmentally friendly cleaning products.

Replace single-use plastics with refillable toiletries.

Encourage recycling in every property.

Support local cafés, restaurants and shops by providing guests with discount guides.

Hire local cleaning companies and maintenance contractors.

Encourage guests to use public transport and cycling routes.

These initiatives reduce environmental impact while supporting Southampton's economy.

2. Market Research

Industry Overview

The UK short-term rental market has grown significantly due to Airbnb and Booking.com.

Southampton attracts visitors because of:

Cruise ship departures

Southampton Football Club

University of Southampton

Solent University

Business conferences

Shopping at Westquay

The New Forest nearby

This creates consistent demand for short-term accommodation throughout the year.

Target Market

Primary customers are property owners who:

Have holiday homes

Own buy-to-let properties

Live overseas

Do not have time to manage Airbnb bookings

Guests include:

Cruise passengers

Tourists

Business travellers

Families visiting university students

International visitors

2.1 PESTEL Analysis

Political

Government regulations on short-term rentals could affect Airbnb businesses.

Compliance with local council regulations and tax requirements is essential.

Economic

Inflation and rising living costs may reduce tourism spending. However, Airbnb often offers cheaper accommodation than hotels, increasing demand.

Social

Travellers increasingly prefer unique homes rather than hotels.

Remote working has also increased demand for longer Airbnb stays.

Technological

Technology allows automatic booking systems, smart locks, pricing software and online payments, improving efficiency.

Environmental

Customers increasingly prefer environmentally responsible accommodation.

Using eco-friendly products and reducing waste improves the company's reputation.

Legal

The business must comply with:

Health and Safety regulations

Fire safety requirements

Insurance

GDPR (customer data protection)

Airbnb hosting policies

Competitor Analysis

Main competitors include:

Pass the Keys Southampton

GuestReady

Local independent Airbnb managers

Competitive advantages include:

Lower management fees (20%)

Faster guest communication

Sustainable management practices

Local knowledge

Personal customer service

Strong partnerships with local businesses

SWOT Analysis

Strengths

Growing Airbnb market

Low startup costs

High demand in Southampton

Sustainable business model

Weaknesses

New company with limited reputation

Dependence on Airbnb platform

Opportunities

Expansion into Portsmouth and Bournemouth

Corporate housing

Holiday rentals

Property maintenance services

Threats

Increased competition

Government regulation

Seasonal tourism fluctuations

Economic recession

3. Marketing Communications

The company will use a combination of digital and traditional marketing.

Website

A professional website will:

Explain services

Display testimonials

Allow online enquiries

Show pricing

Social Media

Marketing through:

Instagram

Facebook

LinkedIn

TikTok

Content includes:

Property transformations

Guest reviews

Southampton attractions

Hosting tips

Search Engine Optimisation (SEO)

The website will target keywords such as:

Airbnb management Southampton

Holiday let management

Property management Southampton

This improves Google rankings.

Google Ads

Targeted advertising will attract landlords searching for Airbnb management services.

Networking

Relationships will be developed with:

Estate agents

Property developers

Mortgage brokers

Interior designers

Local landlords

These partnerships generate referrals.

Promotional Offers

New clients receive:

Free professional photography

First month management at 50% discount

Free Airbnb listing optimisation

Customer Retention

The company will retain clients through:

Monthly performance reports

Transparent pricing

Excellent communication

High guest ratings

Regular property inspections

4. Financial Plan

Startup Funding Required

Item	Cost (£)
Office equipment	4000
Website development	2,500
Marketing	5000
Insurance	1500
Software subscriptions	2000
Cleaning equipment	4000
Photography equipment	2500
Working capital	8500
Total required	30000

Office equipment 4,000

Website development 2,500

Marketing 5,000

Insurance 1,500

Software subscriptions 2,000

Cleaning equipment 4,000

Photography equipment 2,500

Working capital 8,500

Total Required 30,000

Funding Sources

The business will obtain funding through:

£15,000 personal investment

£15,000 investor funding

Investors receive equity in the company.

First Month Operating Expenses

Expense	Cost (£)
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Staff wages	5,000
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Marketing	1,000
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Utilities	300
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Office rent	900
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Software	250
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Cleaning supplies	700
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Insurance	150
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Transport	400
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Miscellaneous	300
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Total	9,000
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Staff wages	5000
Marketing	1000
Utilities	300
Office rent	900
software	250
Cleaning supplies	700
insurance	150
Transport	400
Miscellaneous	300
Total	9000

Revenue Forecast

Assumptions:

20 managed properties

Average booking income per property = £2,000/month

Management fee = 20%

Monthly Revenue:

$$20 \times £2,000 = £40,000$$

20% Management Fee = £8,000 per month

Annual Revenue:

$$£8,000 \times 12$$

$$= £96,000$$

Expected growth:

Year 1: £96,000

Year 2: £180,000

Year 3: £300,000

Break-even Analysis

Monthly Fixed Costs:

£9,000

Average income per property:

£400/month

Break-even:

$£9,000 \div £400$

= 23 managed properties

Once the company manages more than 23 properties, it becomes profitable.

5. Conclusion

Southampton Stay Management Ltd presents a strong investment opportunity due to the city's growing tourism industry and increasing demand for professional Airbnb management services. By offering comprehensive property management, outstanding customer service, and sustainable business practices, the company will create value for both property owners and guests.

The business differentiates itself through environmentally friendly operations, partnerships with local businesses, and modern digital marketing strategies. With an initial investment of £30,000, Southampton Stay Management Ltd is expected to achieve steady growth, expand its property portfolio, and become one of the leading Airbnb management companies in Southampton.

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